



Walk the Walk

Posted by [Pierluigi Oliverio](#) on Monday, May 12, 2008

City Hall Diary

A few weeks ago, I wrote about my biggest regret as an elected official: my support last year of the unanimous vote that converted commercial property to residential on Lincoln Ave—820 units to be exact. Going forward, I will vote on what is best for San Jose and our future.

Last week I was put to the test. A project was before the council requesting the conversion of a prime seven-acre commercial parcel next to Santana Row to residential. Was I going to stand true to my genuine principle that converting tax-generating land is bad, or was I going to pick apart all the “exceptions” to the rule and cave in?

Santana Row generates over \$2.2 million in sales tax each year. Two million is not a number to dismiss, especially when we are suffering through budget deficits and nearby cities are filing bankruptcy. This prime seven-acre parcel has great potential for office space right next to Santana Row. It is a prime piece of commercial real estate and clearly more centrally located than the Evergreen industrial land that was highlighted in 2007.

The employment land framework was unanimously passed by the city council in October 2007. The goal was to stop conversion of land that generates jobs/taxes for the city. On the dais I spoke of the lost opportunities of not having land available for jobs, and the loss of a revenue opportunity for the city, (sales tax, utility tax, 911 fees, etc). The city has already converted hundreds of acres of employment land. Conversion of these parcels creates two problems: the loss of commercial land and the strains on neighborhood services which end up costing the city more money.

Unfortunately, some property owners will choose to neglect their property in hopes of convincing the council that a commercial use is outdated. This excuse will not work for me. If commercial owners

can't take care of their property, then the city should use code enforcement resources to cite and remove blight.

The real estate agent for this parcel spoke at the meeting and said that he "only had two offers for the office use." Two sounds good to me. Don't you only need one? Or, since the parcel is seven acres, perhaps the two interested parties could share?

Unfortunately (as I have seen many times before), the public speakers that night, including nearby residents, spoke in favor of the conversion. In fact, none of the activists who say they are against the conversion of land neither showed up to the meeting that night nor sent any written correspondence against this conversion.

Professional developers and knowledgeable lobbyists showcase some of the best salesmanship I have ever seen, using terms like "LEED certified" and "extraordinary benefit." However, I still stand by my belief that good housing projects need to be built on land that is already zoned for residential.

I made the motion to deny the applicants request of converting the land which passed. The developer is probably going to blame the city, the process and me, saying that we were, and are, not consistent. However, the only "inconsistency" would have been if we converted the land. The land has always been commercial; conversion would have been an inconsistent use of the land. Because of the Reed Reforms, the next time conversion of land will come before the council will be in the spring of 2009, instead of every 3 months.

Over and over and over again, I hear from developers and lobbyists that vacant commercial buildings are of no use and we should convert the land the building stands on to housing. With that said, should we then convert the empty Sobrato building downtown to housing? It is vacant, after all.

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